

CHAPTER XIX.

BANKING IN AFRICA AND OCEANICA.

Part Played by English Capital in Developing Africa and the Islands of the Pacific—Creation of the National Bank of Egypt—The State Banks of Algeria and Morocco—The Imperial Bank of Persia—The Banking System of Australia—English Banking in South Africa—French and Portuguese Colonial Banks in Africa and the Pacific.

THE banking experience of the continents of Africa and Asia and of the great islands of the Pacific offers much that is of interest to the monetary historian, in spite of the comparatively recent creation of some of the banking systems. It is of peculiar interest, among other things, because it has put to the test certain economic theories under conditions which could not have been found under the complicated and conservative financial management of European nations. Several of these will be discussed more fully in the next chapter, dealing with exchange in the Orient. It is proper here, however, to point out the large part played in banking in the undeveloped countries by banks managed from London, which have only recently encountered serious rivalry from French and German institutions.

There are two classes of banks having offices in London and doing business outside of Great Britain,—thirty-two colonial banks and thirty foreign banks. The former group includes many of the Australian banks, those of South Africa, several institutions of British India, and two Canadian banks. Of this group almost the entire capital is furnished in Great Britain. This is true also of many banks of the second group, like the Imperial Bank of Persia, the Hong-kong